

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: **Advantagewon Oil Corp.** (the “Issuer”).

Trading Symbol: **AOC**.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE “A”: FINANCIAL STATEMENTS

A copy of the condensed interim consolidated financial statements for the three and six months ended June 30, 2023 is attached hereto as Appendix “A” (the “**Financial Statements**”).

SCHEDULE “B”: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule “A”.

1. Related party transactions

Please refer to Note 12 on page 14 of the Financial Statements for related party transaction disclosure.

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,**

Please refer to notes 8-9 on pages 11-13 of the Financial Statements for a summary of common shares issued and warrant reserve.

(b) summary of options granted during the period,

No options were issued during the period.

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

Please refer to note 8(a) on page 11 of the Financial Statements for a description of the authorized share capital.

- (b) number and recorded value for shares issued and outstanding,

Please refer to the condensed interim consolidated statements of changes in equity on page 4 of the Financial Statements for the number and recorded value for shares issued and outstanding.

- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Please refer to note 8-9 on pages 12-13 of the Financial Statements for a description of warrants and options, respectively.

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

There are no shares subject to escrow of pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

1. Paul Haber – Interim Chief Executive Officer, Chief Financial Officer, Executive Chairman, and Director;

2. *Stan Dimakos – Director.*

SCHEDULE “C”: MANAGEMENT DISCUSSION AND ANALYSIS

A copy of the management’s discussion and analysis for the three and six months ended June 30, 2023 is attached hereto as Appendix “B”.

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated September 8, 2023.

Paul Haber

Name of Director or Senior Officer

"Paul Haber"

Signature

Interim Chief Executive Officer

Official Capacity

Issuer Details		
Name of Issuer Advantagewon Oil Corp.	For the three and six months ended June 30, 2023	Date of Report YY/MM/DD 23/09/08
Issuer Address 47 Colborne Street, Suite 307		
City/Province/Postal Code Toronto, Ontario M5E 1P8	Issuer Fax No. ()	Issuer Telephone No. (647) 466-4037
Contact Name Paul Haber	Contact Position: Interim Chief Executive Officer	Contact Telephone No. (647) 466-4037
Contact Email Address paul.haber@aoc-oil.com	Web Site Address www.aoc-oil.com	

APPENDIX “A”

**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE
THREE AND SIX MONTHS ENDED JUNE 30, 2023**

(See attached)

ADVANTAGEWON OIL CORPORATION
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
THREE AND SIX MONTHS ENDED
JUNE 30, 2023
(EXPRESSED IN CANADIAN DOLLARS)
(UNAUDITED)

Notice To Reader

The accompanying unaudited condensed consolidated interim financial statements of Advantagewon Oil Corporation have been prepared by and are the responsibility of management. The unaudited condensed consolidated interim financial statements have not been reviewed by the Company's auditors.

Advantagewon Oil Corporation
Condensed Interim Consolidated Statements of Financial Position
(Expressed in Canadian Dollars)
Unaudited

	As at June 30, 2023	As at December 31, 2022
ASSETS		
Current assets		
Cash	\$ 935	\$ 8,871
Trade and other receivables	12,730	5,680
Prepaid expenses	16,223	23,461
Total current assets	29,888	38,012
Right of use asset (note 5)	86,496	98,565
Total assets	\$ 116,384	\$ 136,577
EQUITY AND LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities (notes 4 and 12)	\$ 497,651	\$ 533,398
Lease liability - current portion (note 5)	22,063	20,419
Total current liabilities	519,714	553,817
Non-current liabilities		
Long-term lease liability (note 5)	77,109	83,478
Long-term loans payable (note 7)	43,410	40,406
Total liabilities	640,233	677,701
Equity		
Common shares (note 8)	20,192,718	20,100,918
Shares to be issued	6,000	6,000
Warrants reserve (note 9)	398,593	994,707
Accumulated other comprehensive income	959,448	959,407
Accumulated deficit	(22,080,608)	(22,602,156)
Total equity	(523,849)	(541,124)
Total equity and liabilities	\$ 116,384	\$ 136,577
Going concern (note 1)		
Subsequent event (note 13)		

"Stan Dimakos", Director

"Paul Haber", Director

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

Advantagewon Oil Corporation
Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
(Expressed in Canadian Dollars)
Unaudited

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Operating expenses				
General, office and miscellaneous (note 12)	50,201	75,617	92,527	234,923
Depreciation (note 5)	6,035	6,035	12,069	10,058
Total operating expenses	56,236	81,652	104,596	244,981
Loss before other items	(56,236)	(81,652)	(104,596)	(244,981)
Interest and accretion (notes 5, 6 and 7)	(3,787)	7,503	(8,170)	15,866
Termination of sub lease	-	-	-	(2,032)
Net loss for the period	(60,023)	(74,149)	(112,766)	(231,147)
Other comprehensive loss				
Exchange difference on translation of foreign subsidiaries	(19)	731	(41)	389
Total loss and comprehensive loss for the period \$	(60,042)	\$ (73,418)	\$ (112,807)	\$ (230,758)
Basic and diluted net loss per share (note 10)				
Basic and diluted net loss per share	\$ (0.00)	\$ (0.00)	\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding	50,864,301	47,840,492	49,316,682	47,840,492

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

Advantagewon Oil Corporation
Condensed Interim Consolidated Statements of Cash Flows
(Expressed in Canadian Dollars)
Unaudited

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Operating activities		
Net loss for the period	\$ (112,766)	\$ (231,147)
Adjustments for:		
Non cash expenses (note 11)	20,780	(4,166)
Adjustments in the movement of working capital:		
Trade accounts and other receivables	(7,050)	8,049
Prepaid expenses	7,238	18,844
Accounts payable and accrued liabilities	(35,747)	68,886
Net cash used in operating activities	(127,545)	(139,534)
Financing activities		
Proceeds from issuance of common shares	130,000	-
Lease payments	(10,391)	(14,871)
Net cash provided by (used in) financing activities	119,609	(14,871)
Net change in cash	(7,936)	(154,405)
Cash, beginning of period	8,871	101,216
Cash, end of period	\$ 935	\$ (53,189)

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

Advantagewon Oil Corporation
Condensed Interim Consolidated Statements of Changes in Equity
(Expressed in Canadian Dollars)
Unaudited

	Common shares	Shares to be issued	Warrant reserve	Share-based payments	Accumulated other comprehensive income	Deficit	Total
Balance, December 31, 2021	\$ 20,072,738	\$ 6,000	\$ 1,127,463	\$ -	\$ 961,029	\$(21,386,649)	\$ 780,581
Expiry of warrants	-	-	(41,950)	-	-	41,950	-
Currency translation	-	-	-	-	(389)	-	(389)
Net loss for the period	-	-	-	-	-	(231,147)	(231,147)
Balance, June 30, 2022	\$ 20,072,738	\$ 6,000	\$ 1,085,513	\$ -	\$ 960,640	\$(21,575,846)	\$ 549,045
Balance, December 31, 2022	\$ 20,100,918	\$ 6,000	\$ 994,707	\$ -	\$ 959,407	\$(22,602,156)	\$ (541,124)
Issuance of Units (net of share issue cost)	91,800	-	38,200	-	-	-	130,000
Warrants expired	-	-	(634,314)	-	-	634,314	-
Currency translation	-	-	-	-	41	-	41
Net loss for the period	-	-	-	-	-	(112,766)	(112,766)
Balance, June 30, 2023	\$ 20,192,718	\$ 6,000	\$ 398,593	\$ -	\$ 959,448	\$(22,080,608)	\$ (523,849)

The accompanying notes to the unaudited condensed consolidated interim financial statements are an integral part of these statements.

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

1. Description of business and going concern

Advantagewon Oil Corporation (or the "Company") was incorporated under the laws of the Province of Ontario on July 10, 2013. During the year ended December 31, 2021, the Company sold its remaining oil interests in Canada. On February 19, 2021 the Company acquired approximately 30% of the outstanding common shares in the capital of Starvolt Power Inc., (Starvolt"). The Company is now focussing on delivering cost-effective power solutions, which is a core element of StarVolt's proprietary solar skin technology, with a rejuvenated focus on StarVolt's line of New Energy Vehicles ("NEVs") and sustainable mobility networks. The address of its registered office is 47 Colborne Street, Suite 307, Toronto, Ontario, M5E 1P8.

The Company's common shares trade on the Canadian Securities Exchange under the trading symbol "AOC" and on the OTC Pink Sheets under the trading symbol "ANTGF".

Going concern

The Company incurred a net loss during the six months ended June 30, 2023 of \$112,807 (2022 - \$230,758) and had an accumulated deficit of \$22,080,608 (December 31, 2022 - \$22,602,156). As at June 30, 2023, the Company had a working capital deficit of \$489,826 (December 31, 2022 - working capital deficit of \$515,805). These conditions indicate material uncertainties that may cast significant doubt on the Company's ability to continue as a going concern.

The Company's ability to continue as a going concern and realize its assets and discharge its liabilities in the normal course of business is dependent upon raising capital obtaining financing and attaining sustained profitability. There are various risks and uncertainties affecting the Company's operations including, but not limited to, revenue from NEVs and mobility networks. Given the volatility global parts shortages and supply chain issues, it may be difficult to generate needed revenue and raise capital when needed. Because of continuing operating losses, the Company's continuance as a going concern is dependent upon its ability to obtain adequate financing and to reach profitable levels of operations. It is not possible to predict whether financing efforts will be successful or if the Company will attain profitable levels of operations. Material uncertainties as mentioned above cast significant doubt upon the Company's ability to continue as a going concern.

These unaudited condensed consolidated interim financial statements have been prepared on the basis of accounting principles applicable to a going concern. Accordingly, they do not give effect to adjustments that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those in the accompanying unaudited condensed consolidated interim financial statements. Such adjustments could be material. The Company may periodically have to raise funds to continue operations and, although it has been successful in doing so in the past, there is no assurance it will be able to do so in the future

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

2. Basis of presentation

The unaudited condensed consolidated interim financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, applicable to the preparation of interim financial statements, as set out in IAS 34 Interim Financial Reporting

These unaudited condensed consolidated interim financial statements include the accounts of the Company, together with its wholly-owned subsidiaries, Advantagewon Oil US Corporation (USA) ("AOC US"), Ainslie Oil Corporation (Canada) ("Ainslie"), Albaro Oil Corp. (Canada) ("Albaro"), and Plutus US Oil Corporation (USA) ("Plutus").

The unaudited condensed consolidated interim financial statements of the Company and its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC").

The Company has consistently applied the same accounting policies throughout all periods presented except as noted in changes and impact of new accounting policies adopted effective January 1, 2021 and 2022.

The unaudited condensed consolidated interim financial statements were approved and authorized for issuance by the Company's Board of Directors on August 29, 2023.

Basis of measurement

These unaudited condensed consolidated interim financial statements have been prepared on a historical cost basis except for certain financial instruments, which are measured at fair value as explained in these unaudited condensed consolidated interim financial statements. These unaudited condensed consolidated interim financial statements have been prepared using the accrual basis of accounting except for cash flow information.

Functional currency is the currency of the primary economic environment in which a company operates. The functional currency of the Company, Ainslie, and Albaro is Canadian dollars ("CAD"). The functional currency of AOC US and Plutus is the United States dollar ("USD"). These unaudited condensed consolidated interim financial statements are presented in CAD.

3. Significant accounting policies

New accounting policies

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods on or after January 1, 2023 or later periods. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1") was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or non current is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. Adoption of the amendment did not have a significant impact on the Company's unaudited condensed consolidated interim financial statements.

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

3. Significant accounting policies (continued)

New accounting policies (continued)

Amendments to IAS 8 – accounting policies, changes in accounting estimates and errors

The amendments to IAS 8 is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. Adoption of the amendment did not have a significant impact on the Company's unaudited condensed consolidated interim financial statements.

New standards not yet adopted and interpretations issued but not yet effective

The Company has reviewed new and amended accounting pronouncements that have been issued but are not yet effective:

IFRS 10 – Consolidated Financial Statements (“IFRS 10”) and IAS 28 – Investments in Associates and Joint Ventures (“IAS 28”) were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted. The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

4. Accounts payable and accrued liabilities

	June 30, 2023	December 31, 2022
Trade and other payables	\$ 282,352	\$ 318,099
Accrued liabilities	134,099	134,099
Dividend payable	81,200	81,200
Total accounts payable and accrued liabilities	\$ 497,651	\$ 533,398

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

5. Lease liabilities

Right-of-use assets

The Company extended its current lease for 5 years from January 31, 2022 to January 31, 2027. The weighted average incremental borrowing rate applied to the lease liability was 12.45%.

	Total
Balance, December 31, 2021	\$ -
Additions	120,692
Depreciation	(22,127)
Balance, December 31, 2022	\$ 98,565
Depreciation	(12,069)
Balance, June 30, 2023	\$ 86,496

A reconciliation of the carrying amount of the lease liabilities is as follows:

Balance, December 31, 2021	\$ 1,854
Additions	120,692
Interest expense	11,810
Lease payments	(30,459)
Balance, December 31, 2022	103,897
Interest expense	5,666
Lease payments	(10,391)
Balance, June 30, 2023	\$ 99,172
Current portion of lease liability	(22,063)
Long term portion of lease liability	\$ 77,109

The following is a reconciliation from the undiscounted lease payments to the lease liabilities

	Under 1 year	Between 1 - 2 years	Between 3 - 5 years	Over 5 years	Total
Property	\$ 31,623	\$ 37,445	\$ 51,063	\$ -	\$ 120,131
Total contractual cash flows	31,623	37,445	51,063	-	120,131
Less: interest accretion on lease	(9,560)	(6,872)	(4,527)	-	(20,959)
Lease liability	\$ 22,063	\$ 30,573	\$ 46,536	\$ -	\$ 99,172

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

6. Minority investment in Starvolt Power Inc.

On February 19, 2021 the Company acquired approximately 30% of the outstanding common shares in the capital of Starvolt Power Inc., (Starvolt") in consideration for the issuance of 8,390,000 common shares in the capital of Advantagewon at a deemed price of \$0.135 per share to the holders of the Starvolt Shares being acquired by Advantagewon. The transaction was completed pursuant to a share exchange agreement. This results in an initial valuation of \$1,132,650.

During the year ended December 31, 2021, the Company loaned \$975,000 to Starvolt. The loan bears interest at 5% per annum and is unsecured. The loan is due June 22, 2023. For the year ended December 31, 2022, an impairment loss of \$996,841 was recorded on this loan on the statement of financial position and as at June 30, 2023 and December 31, 2022, this loan is carried at \$nil net of the provision.

During the three and six months ended June 30, 2023, the Company recorded interest income of \$nil (three and six months ended June 30, 2022 - \$25,826). The amount is included in the loan to Starvolt Power Inc. on the statement of financial position.

An associate is an entity over which the Company has significant influence, and is not a subsidiary or joint venture. Significant influence is presumed to exist when the Company has the power to be actively involved and influential in financial and operating policy decisions of the associate.

The Company accounts for its investment in an associate using the equity method. Under the equity method, the Company's investment in an associate is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of profit and loss of the associate and for impairment losses after the initial recognition date. The Company's share of comprehensive earnings or losses of associates are recognized in comprehensive loss during the period. Distributions received from an associate are accounted for as a reduction in the carrying amount of the Company's investment.

The Company is considered to have significant influence over Starvolt due to advance to Starvolt and its representation on Starvolt's board of directors.

Statement of Financial position as at June 30, 2023

Assets	
Bank	\$ 1,519
Inventory	110,159
	111,678
Promissory note receivable	1,018,583
Property, plant and equipment	967
Total assets	\$ 1,131,228
Liabilities and shareholder's deficiency	
Accounts payable and accrued liabilities	\$ 16,785
Loans and advances payable	1,126,562
Due to shareholder	70,166
	1,213,513
Shareholder's deficiency	
Share capital	2,289,694
Deficits	(2,371,979)
	\$ (82,285)
Total liabilities and shareholder's deficiency	\$ 1,131,228

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

6. Minority investment in Starvolt Power Inc. (continued)

Proportionate loss on investment in Starvolt

	Six Months	
	June 30,	June 30,
	2023	2022
	(Unaudited)	(Unaudited)
Interest income	32,800	32,800
Expenses		
Depreciation	-	544
Professional Fees	-	14,853
General and administration	24,719	27,136
Foreign exchange	-	222
Total expenses	\$ (24,719)	\$ (42,755)
Starvolt net loss	\$ 8,081	\$ (9,955)

	Six Months		Six Months
	Ended		Ended
	June 30,		June 30,
	2023		2022
Starvolt net (loss) income	\$ 8,081	\$	(9,955)
Ownership	29.96%		29.96%
Equity pick-up	\$ 2,421	\$	(2,983)

Unrecognised share of loss from investment in associate as of June 30, 2022 is \$256,598 (December 31, 2022 - \$259,019)

7. Loans payable

	Summit	CEBA	Total
Balance, December 31, 2021	\$ -	\$ 22,141	\$ 22,141
Proceeds	25,000	-	25,000
Equity component of convertible loans payable	(14,847)	-	(14,847)
Accrued interest and accretion of debt	253	7,859	8,112
Balance, December 31, 2022	10,406	30,000	40,406
Accrued interest and accretion of debt	3,004	-	3,004
Balance, June 30, 2023	\$ 13,410	\$ 30,000	\$ 43,410

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

7. Loans payable (continued)

Summit loan

In November 2022, the Company borrowed \$25,000 from a related party. The loans bears interest of 15% per annum and has a maturity of April 2025 and is unsecured. The Company has the option to pay off the loan by issuing common stock based on the current market of the stock, but not the interest.

Upon the receipt of the loan amount, the Company issue 833,333 common shares (Note 8). The Company used the residual value method to allocate the principal amount of the loans payable between the liability and the equity component. Under this method, an amount of \$14,847 to the equity issued were recorded in consolidated statements of changes in equity. The fair value of the liability component of \$10,153 was computed as the present value of future principal and interests, discounted at a rate of 35%,

Canada Emergency Business Account (CEBA) loan

In response to the COVID-19 crisis, the government of Canada created the Canadian Emergency Business Account ("CEBA") in partnership with Canadian banks, wherein a company can apply to their principle banker to receive a loan on the following terms: CEBA provides zero-interest loans up to \$40,000 to small business and non-profit organizations that have experienced diminished revenues due to COVID-19 but face ongoing non-deferrable costs, such as rent, utilities, insurance, taxes and wages. Repaying the balance of the loan on or before December 31, 2022 will result in loan forgiveness of 25 percent (up to \$10,000). As no payment is due on this loan until 2022, the full amount of the loan is shown as long term. Because the loan bears no interest if it is repaid on or before December 31, 2022 and because up to \$10,000 is forgivable, the Company has imputed and recorded an amount of \$25,555 as other income. During the six months ended June 30, 2023 the Company recorded \$nil as imputed interest expense (for the six months ended June 30, 2022 - \$3,964). The net of these amounts has reduced the stated amount of this loan to \$30,000 on the statement of financial position.

During the six months ended June 30, 2023, the Government of Canada announced that the deadline to repay loans under the Canada Emergency Business Account program would be extended by one year (that is from December 31, 2022 to December 31, 2023). As of January 1, 2024, the loan balance will bear interest at 5% and will be repayable on maturity on December 31, 2025.

8. Share capital

Common shares

a) Authorised

The Company is authorized to issue an unlimited number of common shares without par value.

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

8. Share capital (continued)

b) Common shares issued

	Number of common shares	Amount
Balance, December 31, 2021 and June 30, 2022	47,840,492	\$ 20,072,738
Balance, December 31, 2022 and June 30, 2023	49,007,158	\$ 20,100,918
Common shares issued (net of share issue cost) (i)	2,600,000	130,000
Value of warrants granted (i)	-	(38,200)
Balance, June 30, 2023	51,607,158	\$ 20,192,718

Common shares issued - 2023

- (i) On April 26, 2023, the Company closed a private placement and issued 2,600,000 units at a price of \$0.05 per unit for gross proceeds of \$130,000. Each unit consists of one common share and one share purchase warrant exercisable at \$0.06 per warrant for 2 years after the date of the unit issuance. The fair value of the warrants was estimated at \$38,200 using the Black-scholes pricing model. The Black-scholes model inputs were as follows: expected volatility 100%, risk free rate 3.92%, expected life 2 years, and expected dividend yield 0%.

9. Warrant reserve

The following table summarizes information regarding the Company's outstanding warrants:

	Number of warrants	Weighted average exercise price
Balance, December 31, 2021 and June 30, 2022	19,631,075	\$ 0.55
Balance, December 31, 2022	17,612,325	\$ 0.32
Issued (note 8)	2,600,000	0.06
Expired	(5,231,833)	0.79
Balance, June 30, 2023	14,980,492	\$ 0.10

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

9. Warrants reserve (continued)

The following table reflects the warrants issued and outstanding as of June 30, 2023:

Expiry date	Number of warrants	Grant date fair value	Exercise price
January 26, 2024	11,896,824	288,272	\$ 0.10
April 26, 2025	2,600,000	38,200	0.06
July 30, 2023 ^{(i) (ii)}	483,668	72,121	0.75
	14,980,492	\$ 398,593	\$ 0.10

(i) Expired unexercised subsequent to June 30, 2023.

(ii) In the event that the closing price (or closing bid price on days when there are no trades) of the Common Shares on the Canadian Securities Exchange is at least \$1.50 for a minimum of 10 consecutive trading days, AOC may provide written notice to the holders of the Warrants requiring them to exercise such Warrants within 30 days following the date of issuance of such written notice.

10. Basic and diluted loss per share

The calculation of basic and diluted loss per share for the three and six months ended June 30, 2023, was based on the loss attributable to common shareholders of \$60,023 and \$112,766, respectively (three and six months ended June 30, 2022 - \$74,149 and \$231,147, respectively) and the weighted average number of common shares outstanding of 50,864,301 and 49,316,682, respectively (three and six months ended June 30, 2022 - 47,840,492 and 47,840,492, respectively). Diluted loss per share did not include the effect of 14,980,492 warrants for the three and six months ended June 30, 2023 (three and six months ended June 30, 2022 - 19,631,075) as their effect is anti-dilutive.

11. Cashflow non cash adjustments

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
Depreciation	12,069	10,058
Interest on Starvolt loan	-	(24,969)
Termination of sub-lease	-	2,032
Interest and accretion	8,670	9,102
Foreign exchange (gain)	41	(389)
Non cash adjustments	\$ 20,780	\$ (4,166)

Advantagewon Oil Corporation
Notes to the Condensed Interim Consolidated Financial Statements
Three and Six Months Ended June 30, 2023
(Expressed in Canadian Dollars)
Unaudited

12. Related party

(a) Key management compensation

The Company considers its key management personnel to consist of its officers and directors. The Company's directors and officers participate in the Company's stock option plan.

Remuneration of directors and key management personnel, including consulting fees, of the Company was as follows:

		Three Months June 30,		Six Months Ended June 30,	
		2023	2022	2023	2022
Remuneration paid to director	(i)	\$ 2,250	\$ 2,250	\$ 4,500	\$ 11,250
Remuneration paid to CEO	(ii)	6,000	6,000	12,000	28,000
Remuneration paid to CFO	(iii)	4,500	-	9,000	13,500
		\$ 12,750	\$ 8,250	\$ 25,500	\$ 52,750

(i) During the three and six months ended June 30, 2023 the Company expensed directors fees of \$2,250 and \$4,500, respectively, (three and six months ended June 30, 2022 - \$2,250 and \$11,250, respectively) to a private company controlled by the Company's director, for director services.

(ii) During the three and six months ended June 30, 2023 the Company expensed consulting and management fees of \$6,000 and \$12,000, respectively, (three and six months ended June 30, 2022 - \$6,000 and \$28,000, respectively) to a private company controlled by the Company's director and officer for management services.

(iii) During the three and six months ended June 30, 2023 the Company expensed \$4,500 and \$9,000, respectively, (three and six months ended June 30, 2022 - and \$13,500, respectively) to Marrelli Support Services Inc. ("Marrelli Support") for the services of Victor Hugo to act as former Chief Financial Officer of the Company.

(b) The Company entered into the following transactions with related parties in the ordinary course of business:

During the six months ended June 30, 2023, the Company incurred interest on loans to company controlled by a director of \$1,870 (six months ended June 30, 2022 - \$nil) (see note 7)

As at June 30, 2023, \$145,082 (December 31, 2022 - \$105,357) was payable to related parties and the amount is included in accounts payable and accrued liabilities.

13. Subsequent event

- Subsequent to June 30, 2023, 433,668 warrants with an exercise price of \$0.75 expired unexercised.
- Subsequent to June 30, 2023, the Company received an advance from a related party.

APPENDIX “B”

**MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE THREE AND SIX
MONTHS ENDED JUNE 30, 2023**

(See attached)



ADVANTAGEWON

OIL CORP.

CSE: AOC | OTC: ANTGF

Introduction

The following interim Management's Discussion & Analysis ("MD&A") of the financial condition and results of the operations of Advantagewon Oil Corporation. (the "Company" or "AOC") has been prepared to provide material updates to the business operations, liquidity and capital resources of the Company since its last annual management's discussion & analysis, being the Management's Discussion & Analysis ("Annual MD&A") for the fiscal year ended December 31, 2022. This MD&A does not provide a general update to the Annual MD&A, or reflect any non-material events since the date of the Annual MD&A.

This MD&A has been prepared in compliance with the requirements of section 2.2.1 of Form 51-102F1, in accordance with National Instrument 51-102 – Continuous Disclosure Obligations. This discussion should be read in conjunction with the Annual MD&A, the audited annual consolidated financial statements of the Company for the years ended December 31, 2022 and December 31, 2021 and the unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2023, together with the notes thereto. Results are reported in Canadian dollars, unless otherwise noted. In the opinion of management, all adjustments (which consist only of normal recurring adjustments) considered necessary for a fair presentation have been included. The results for the three and six months ended June 30, 2023 are not necessarily indicative of the results that may be expected for any future period. Information contained herein is presented as at August 29, 2023 unless otherwise indicated.

The unaudited condensed consolidated interim financial statements for the three and six months ended June 30, 2023, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board and interpretations of the IFRS Interpretations Committee. The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Standard 34, Interim Financial Reporting.

For the purposes of preparing this MD&A, management, in conjunction with the Audit Committee of the Board of Directors, considers the materiality of information. Information is considered material if: (i) such information results in, or would reasonably be expected to result in, a significant change in the market price or value of AOC's common shares; or (ii) there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision; or (iii) it would significantly alter the total mix of information available to investors. Management, in conjunction with the Audit Committee of the Board of Directors, evaluates materiality with reference to all relevant circumstances, including potential market sensitivity.

Caution Regarding Forward-Looking Statements

This MD&A contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These statements relate to future events or the Company's future performance. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. The forward-looking statements in this MD&A speak only as of the date of this MD&A or as of the date specified in such statement.

Specifically, the following forward-looking statements are based on the corresponding assumptions, and are subject to the noted risk factors:

Forward-looking statements	Assumptions	Risk factors
<p>The Company's ability to meet its working capital needs at the current level for the twelve-month period ending June 30, 2024.</p> <p>The Company expects to incur further losses in the development of its business.</p> <p>Should the Company not raise sufficient capital, it may cease to be a reporting issuer. See subsequent events.</p>	<p>The operating activities of the Company for the twelve-month period ending June 30, 2024, and the costs associated therewith, will be consistent with the Company's current expectations; debt and equity markets, exchange and interest rates and other applicable economic conditions are favourable to the Company.</p>	<p>Changes in debt and equity markets; timing and availability of external financing on acceptable terms; increases in costs; regulatory compliance and changes in regulatory compliance and other local legislation and regulation; interest rate and exchange rate fluctuations; changes in economic conditions; ongoing uncertainties relating to the COVID-19 virus</p>
<p>The Company's ability to carry out anticipated change of business to an investment company.</p>	<p>The Company expects to complete the anticipated change of business to an investment company; debt and equity markets, interest rates and other applicable economic conditions are favourable to the Company.</p>	<p>The Company inability to complete the anticipated change of business to an investment company; the inability to satisfy all of the conditions precedent (due diligence, shareholder and regulatory approval, financing) to complete the change of business, resulting in the Company remaining as a public shell.</p>
<p>Management's outlook regarding future trends</p>	<p>Financing will be available for the Company's operating activities; debt and equity markets, interest rates and other applicable economic conditions are favourable to the Company.</p>	<p>Changes in debt and equity markets; interest rate and exchange rate fluctuations; changes in economic and political conditions increases in costs; regulatory compliance and changes in regulatory compliance and other local legislation and regulation.</p>

Inherent in forward-looking statements are risks, uncertainties and other factors beyond AOC's ability to predict or control. Readers are cautioned that the above chart does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking statements, and that the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this MD&A. Readers should refer to those risk factors referenced in the "Risks and Uncertainties" section below.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause AOC's actual results, performance or achievements to be materially different from any of its future results,

performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking statements whether as a result of new information or future events or otherwise, except as may be required by law. If the Company does update one or more forward-looking statements, no inference should be drawn that it will make additional updates with respect to those or other forward-looking statements, unless required by law.

The country is currently experiencing a broad-based downturn as a result of the significant risk of a global recession brought about by record inflation and rapidly rising interest rates. In this environment investment is greatly impaired. The Company is mindful of the current market environment and is managing accordingly. See "Risk Factors".

Although there can be no assurance that additional funding will be available to the Company, management believes that its projects are delivering positive results and should attract investment under normal market condition. Hence, management believes it is likely to obtain additional funding for its projects in due course

Description of Business

The Company was incorporated under the laws of the Province of Ontario on July 10, 2013. The Company completed its go-public transaction and commenced trading on the CSE on July 13, 2017 followed by trading on the OTCQB on November 24, 2017.

On February 19, 2021 the Company acquired approximately 30% of the outstanding common shares in the capital of Starvolt Power Inc., (Starvolt"). The Company is now focus on delivering cost-effective power solutions, which is a core element of StarVolt's proprietary solar skin technology, with a rejuvenated focus on StarVolt's line of New Energy Vehicles ("NEVs") and sustainable mobility networks.

Starvolt is an energy solution technology company that was incorporated in 2020. The Company provides low-cost energy solutions and sustainable mobility through an innovative product lineup of advanced EVs. The Company uses renewable energy sources, harnessing the power of the sun and provides sustainable, intelligent and adaptable transport solutions for consumers.

On May 9, 2022, the Company announced that it will be pursuing a change of business to an investment company under the rules of the Canadian Securities Exchange.

Outlook and Overall Performance

Corporate

Proposed change of business (the "Proposed COB")

After a thorough evaluation of the Company's existing resources and a review of strategic options for the Company generally, the Company determined to refocus its business operations from a "resource issuer" to an "investment issuer". The board of directors of the Company (the "Board") believes that its network of business contacts, the depth of experience of its management team and its overall entrepreneurial approach will enable it to identify and capitalize upon investment opportunities as an "investment issuer". In connection with the Proposed COB, the Company intends to adopt an investment policy (the "Investment Policy") to govern its investment activities and investment strategy. A summary of the material terms of the Investment

Policy will be disclosed in due course and a copy of the Investment Policy will be posted on the Company's profile at www.sedar.com.

On April 20, 2023, the Company announced that Frank Kordy as director of the Company and Victor Hugo has resigned as Chief Financial Officer and Corporate Secretary of the Company. The Company has appointed Paul Haber as Interim Chief Financial Officer

On April 26, 2023, the Company closed a private placement and issued 2,600,000 units at a price of \$0.05 per unit for gross proceeds of \$130,000. Each unit consists of one common share and one share purchase warrant exercisable at \$0.06 per warrant for 2 years after the date of the unit issuance.

Financial highlights

For the six months ended June 30, 2023, the Company had a net loss of \$112,766 which consisted primarily of (i) general, office and miscellaneous of \$92,527 (ii) depreciation of \$12,069; and (iii) interest and accretion expense of \$8,170.

At June 30, 2023, the Company had a net working capital deficit of \$489,826 (December 31, 2022 – working capital deficit of \$515,805). The Company had a cash balance of 935 (December 31, 2022 – \$8,871). Cash decreased during the six months ended June 30, 2023 due to net cash used in operating activities of \$127,545 and cash provided by financing activities of \$119,609.

The Company has insufficient capital to meet its ongoing operating expenses and continue to meet its obligations on its current projects for the 12-month period starting on June 30, 2023. See "Liquidity and Financial Position" and "Subsequent event" below.

Minority investment in Starvolt Power Inc.

On February 19, 2021 the Company acquired approximately 30% of the outstanding common shares in the capital of Starvolt in consideration for the issuance of 8,390,000 common shares in the capital of Advantagewon at a deemed price of \$0.135 per share to the holders of the Starvolt Shares being acquired by Advantagewon. The transaction was completed pursuant to a share exchange agreement.

The Company accounts for its investment in an associate using the equity method. Under the equity method, the Company's investment in an associate is initially recognized at cost and subsequently increased or decreased to recognize the Company's share of profit and loss of the associate and for impairment losses after the initial recognition date. The Company's share of comprehensive earnings or losses of associates are recognized in comprehensive loss during the period. Distributions received from an associate are accounted for as a reduction in the carrying amount of the Company's investment.

Statement of Financial position as at June 30, 2023 (unaudited)

	As at June 30, 2023 (\$)
Assets	
Bank	1,519
Inventory	110,159
Promissory note	1,018,583
Property, plant and equipment	967
Total assets	1,131,228
Liabilities and shareholder's deficiency	
Account payable and accrued liabilities	16,785
Loans and advance payable	1,126,562
Due to shareholder	70,166
Shareholder's deficiency	
Share capital	2,289,694
Deficit	(2,371,979)
	(82,285)
Total liabilities and shareholder's deficiency	1,131,228

Proportionate loss on investment in Starvolt

	Six Months Ended June 30, 2023 (\$)
Revenue	Nil
Interest income	32,800
Cost of sales - consultants	Nil
Gross profit	32,800
Expenses	
Depreciation	Nil
Professional fees	Nil
General and administration	24,719
Foreign exchange	Nil
Total expenses	24,719
Net gain for the period	8,081
Ownership	29.96%
Equity pick-up	2,421
Cost of investment, post bargain	
Unrecognized gain	2,421

Unrecognised share of loss from investment in associate as of June 30, 2023 is \$256,598 (December 31, 2022 - \$259,019)

Trends

The Company plans to continue the Proposed COB and search for suitable assets or businesses to acquire or merge with in order to maximize value for shareholders. Management regularly monitors economic conditions and estimates their impact on the Company's operations and incorporates these estimates in both short-term operating and longer-term strategic decisions. Strong equity markets are favourable conditions for completing transactions.

The Company's operations can be significantly affected by the effects of the conflict in Ukraine and the effect on financial markets. The Company cannot accurately predict the impact thereof, or will have on its operations and the ability of others to meet their obligations with the Company, including uncertainties relating to the geographic and demographic spread and affect thereof, the duration of the conflict and restrictions imposed by governments of countries from time to time. It is clear that the conflict has impacted economic, political and financial conditions, global parts, supply chains and the availability of capital. Continuous conflict could adversely affect the economies and financial markets of many countries, resulting in an economic downturn that could further affect the Company's operations and ability to finance its operations.

Apart from these and the risk factors noted under the heading "Risks and Uncertainties", management is not aware of any other trends, commitments, events or uncertainties that would have a material effect on the Company's business, financial condition or results of operations. See "Risks and Uncertainties" below.

Off-Balance-Sheet Arrangements

As of the date of this filing, the Company does not have any off-balance-sheet arrangements that have, or are reasonably likely to have, a current or future effect on the results of operations or financial condition of the Company, including, and without limitation, such considerations as liquidity and capital resources.

Discussion of Operations

Three months ended June 30, 2023 compared with three months ended June 30, 2022

For the three months ended June 30, 2023, AOC had a net loss of \$60,023 with basic loss per share of \$0.00. This compares to a net loss of \$74,149 with basic and diluted loss per share of \$0.00 for the three months ended June 30, 2022. The decrease of \$14,126 in net loss was principally because:

- ✓ For the three months ended June 30, 2023, general, office and miscellaneous decreased to \$50,201, due to a decrease in professional fees, consulting and management fees.
- ✓ For the three months ended June 30, 2023, the Company recorded interest and accretion expense of \$3,787, compare to an income of \$7,503 for the three months ended June 30, 2022.

Six months ended June 30, 2023 compared with six months ended June 30, 2022

For the six months ended June 30, 2023, AOC had a net loss of \$112,766 with basic loss per share of \$0.00. This compares to a net loss of \$231,147 with basic and diluted loss per share of \$0.00 for the six months ended June 30, 2022. The decrease of \$118,381 in net loss was principally because:

- ✓ For the six months ended June 30, 2023, general, office and miscellaneous decreased to \$92,527, due to a decrease in professional fees, consulting and management fees.
- ✓ For the six months ended June 30, 2023, the Company recorded interest and accretion expense of \$8,170, compare to an income of \$15,866 for the six months ended June 30, 2022.

Cash Flow

The Company had cash of \$935 at June 30, 2023 (December 31, 2022 – \$8,871). The change in cash during the six months ended June 30, 2023 was primarily due to the cash used in operating activities.

Cash used in operating activities was \$127,545, for the six months ended June 30, 2023. Operating activities were affected by net loss of \$112,766 and net changes in the movement in working capital due to a decreases in prepaids of \$7,238, and accounts payable and accrued liabilities of \$35,747 and increase in trade accounts and other receivables of \$7,050. The Company also recorded non-cash expenses of \$20,780. For the six months ended June 30, 2022, cash used in operating activities was \$139,534. Operating activities were affected by a net loss of \$231,147 and net changes in the movement in working capital \$95,779 and non-cash expenses of (\$235,313).

Net cash provided by financing activities was \$119,609, during the six months ended June 30, 2023, due to cash received from proceeds from the issuance of units and lease payment of \$10,391. For the six months ended June 30, 2022, net cash used in financing activities was \$14,871, due to lease payments.

Liquidity and Capital Resources

The Company's activities have been financed through the completion of equity offerings. There is no assurance that equity capital will be available to the Company in the amounts or at the times desired or on terms that are acceptable to the Company, if at all.

The Company has no revenues, and therefore must utilize its current cash reserves, funds obtained from the exercise of warrants or options and other financing transactions to maintain its capacity to meet ongoing operating activities. As of June 30, 2023, the Company had 14,980,492 warrants outstanding that would raise approximately \$1,552,000, if exercised in full; however all of the warrants are subject to the Company meeting certain revenue thresholds so it is not anticipated that they will become exercisable in the next twelve months.

At June 30, 2023, the Company reported a cash balance of 935 (December 31, 2022 – \$8,871) and a net working capital deficit of \$489,826 (December 31, 2022 – working capital deficit of \$515,805). The net cash as at June 30, 2023, is not sufficient to satisfy current liabilities and general and administrative costs up to June 30, 2024. Currently, the Company's operating expenses are approximately \$17,500 to \$22,500 per month for management fees, professional fees, listing expenses and other working expenses. The Company needs to secure additional financing to carry on business activities. Although the Company has been successful in raising funds to date, there is no assurance that future equity capital or debt will be available to

the Company in the amounts or at the times desired or on terms that are acceptable to the Company, if at all. See "Risk Factors" and "Subsequent event" below.

Accounting Pronouncements

Changes in accounting policy

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2023. New accounting policies are not applicable or do not have a significant impact on the Company and have been excluded.

IAS 1 – Presentation of Financial Statements ("IAS 1")

IAS 1 was amended in January 2020 to provide a more general approach to the classification of liabilities under IAS 1 based on the contractual arrangements in place at the reporting date. The amendments clarify that the classification of liabilities as current or noncurrent is based solely on a company's right to defer settlement at the reporting date. The right needs to be unconditional and must have substance. The amendments also clarify that the transfer of a company's own equity instruments is regarded as settlement of a liability, unless it results from the exercise of a conversion option meeting the definition of an equity instrument. Adoption of the amendment did not have a significant impact on the Company's unaudited condensed consolidated interim financial statements.

Accounting policies, changes in accounting estimates and errors ("IAS 8")

The amendments to IAS 8 is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis. Adoption of the amendment did not have a significant impact on the Company's unaudited condensed consolidated interim financial statements.

New standards not yet adopted and interpretations issued but not yet effective

Certain pronouncements were issued by the IASB or the IFRIC that are mandatory for accounting periods commencing on or after January 1, 2024. Many are not applicable or do not have a significant impact to the Company and have been excluded.

IFRS 10 – Consolidated Financial Statements ("IFRS 10") and IAS 28 – Investments in Associates and Joint Ventures ("IAS 28")

IAS 28 were amended in September 2014 to address a conflict between the requirements of IAS 28 and IFRS 10 and clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business. The effective date of these amendments is yet to be determined, however early adoption is permitted. The Company will adopt these amendments as of their effective date, and is currently assessing the impacts on adoption.

Critical accounting estimates and judgments

The preparation of the unaudited condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the reporting date and reported amounts of expenses during the reporting period. Actual outcomes could differ from these estimates. These consolidated statements include estimates, which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the unaudited condensed consolidated interim financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and the revision affects both current and future periods.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

Functional currency

The determination of an entity's functional currency is a key judgment based on the primary economy environment in which each entity of the Company operates. In determining the functional currency, management considers the currency that most faithfully represents the economic effects of events, conditions, and future direction and investment opportunities.

Cash-generating units

The Company's assets are aggregated into cash-generating units ("CGUs") based on an assessment of the unit's ability to generate independent cash in-flows. The determination of the Company's CGUs was based on management's judgment regarding shared infrastructure, geographical proximity, petroleum type and similar exposure to market risk and materiality. The allocation of assets into CGU's requires significant judgment and interpretations with respect to the way in which management monitors operations.

Investment in associate

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy of the investee, but is not control or joint control over those policies.

The considerations made in determining significant influence or joint control are similar to those necessary to determine controls over subsidiaries. The Company's investment in its investment in Starvolt Power Inc. is accounted for using the equity method.

Under the equity method, the investment in an associate is initially recorded at cost. On acquisition of the investment, any difference between the cost of the investment and the investor's share of the fair values of the investee's identifiable assets and liabilities is accounted for as goodwill or negative good will and added to the cost of the investment. The carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the associate since the acquisition date. The financial statements of the associate are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring recognize the effect of differences in accounting policies and / or reporting framework from the investee.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Company determines whether

there is objective evidence that the investment in associate is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value, and then recognizes the loss within 'Loss from equity investment' in the consolidated statement of profit or loss.

Current and deferred taxes

Tax interpretations, regulations and legislation in the various jurisdictions in which the Company operates are subject to change. As such, current and deferred taxes are subject to measurement uncertainty. Management uses judgment to assess deferred tax assets at the end of the reporting period to determine the likelihood that they will be realized from future taxable earnings.

Expected credit losses

Determining an allowance for expected credit losses ("ECLs") requires management to make assumptions about the historical patterns for the probability of default, the timing of collection and the amount of incurred credit losses, which are adjusted based on management's judgment about whether economic conditions and credit terms are such that actual losses may be higher or lower than what the historical patterns suggest.

Income, value added, withholding and other taxes

The Company is subject to income, value added, withholding and other taxes. Significant judgment is required in determining the Company's provisions for taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. The determination of the Company's income, value added, withholding and other tax liabilities requires interpretation of complex laws and regulations. The Company's interpretation of taxation law as applied to transactions and activities may not coincide with the interpretation of the tax authorities. All tax related filings are subject to government audit and potential reassessment subsequent to the financial statement reporting period. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the tax related accruals and deferred income tax provisions in the period in which such determination is made.

Warrants, stock options and performance warrants

Warrants, stock options and performance warrants are valued using the Black-Scholes pricing model. Estimates and assumptions for inputs to the model, including the expected volatility of the Company's shares and the expected life of the options and warrants, are subject to significant uncertainties and judgment.

Discount rate on IFRS 16

The determination of the Company's lease liability and net investment in lease depends on certain assumptions, which include the selection of the discount rate. The discount rate is set by reference to the Company's incremental borrowing rate. Significant assumptions are required to be made when determining which borrowing rates to apply in this determination. Changes in the assumptions used may have a significant effect on the Company's consolidated financial statements.

Related Party Transactions

Related parties include the Board of Directors and officers of the Company, close family members and enterprises that are controlled by these individuals as well as certain persons performing similar functions. Related party transactions conducted in the normal course of operations are measured at the amount established and agreed to by the related parties.

(a) The Company entered into the following transactions with related parties:

- ✓ During the three and six months ended June 30, 2023, the Company expensed directors fees of \$2,250 and \$4,500, respectively, (three and six months ended June 30, 2022 - \$2,250 and \$11,250, respectively) to a private company controlled by the Company's director, for director services.
- ✓ During the three and six months ended June 30, 2023, the Company expensed consulting and management fees of \$6,000 and \$12,000, respectively, (three and six months ended June 30, 2022 - \$6,000 and \$28,000, respectively) to a private company controlled by Paul Hauber, a director and officer, for management services.
- ✓ During the three and six months ended June 30, 2023, the Company expensed \$4,500 and \$9,000, respectively, (three and six months ended June 30, 2022 - \$nil and \$13,500, respectively) to Marrelli Support Services Inc. ("Marrelli Support") for the services of Victor Hugo to act as former Chief Financial Officer of the Company.

(b) Remuneration of directors and key management personnel, other than consulting or professional fees, of the Company was as follows:

- ✓ During the six months ended June 30, 2023, the Company incurred interest on loans to a company controlled by a director of \$1,870 (six months ended June 30, 2022 - \$nil).

As at June 30, 2023, \$145,082 (December 31, 2022 - \$105,357) was payable to related parties and the amount is included in accounts payable and accrued liabilities.

Disclosure of Internal Controls

Management has established processes to provide them sufficient knowledge to support representations that they have exercised reasonable diligence that (i) the unaudited condensed consolidated interim financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the unaudited condensed consolidated interim financial statements; and (ii) the unaudited condensed consolidated interim financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented.

In contrast to the certificate required for non-venture issuers under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109"), this Venture Issuer Basic Certificate does not include representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. In particular, the certifying officers filing this certificate are not making any representations relating to the establishment and maintenance of:

- i) controls and other procedures designed to provide reasonable assurance that information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
- ii) a process to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP (IFRS).

The issuer's certifying officers are responsible for ensuring that processes are in place to provide them with sufficient knowledge to support the representations they are making in this certificate. Investors should be aware that inherent limitations on the ability of certifying officers of a venture issuer to design and implement on a cost effective basis DC&P and ICFR as defined in NI 52-109 may result in additional risks to the quality, reliability, transparency and timeliness of interim and annual filings and other reports provided under securities legislation.

Risks and Uncertainties

An investment in the securities of the Company is highly speculative and involves numerous and significant risks. Such investment should be undertaken only by investors whose financial resources are sufficient to enable them to assume these risks and who have no need for immediate liquidity in their investment. Prospective investors should carefully consider the risk factors that have affected, and which in the future are reasonably expected to affect, the Company and its financial position. Please refer to the section entitled "Risk Factors" in the Company's Annual MD&A for the fiscal year ended December 31, 2022, available on SEDAR at www.sedar.com.

Subsequent events

Subsequent to June 30, 2023, the Company received an advance from a related party.

Subsequent to June 30, 2023, 433,668 warrants with an exercise price of \$0.75 expired unexercised.